NON ERATE ELIGIBLE

Since the district is looking at implementing wireless on a large scale, we recommend a wireless study for each building.

I do not believe this is Erate eligible, but defer to the expertise of the districts' Erate consultant.
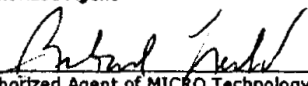
Qty.	Description	Unit Price	Total Price
9	Building -wide Wireless Site Survey	$ 1,500.00	$ 13,500.00

As an Authorized Agent of Atlantic City Schools, we Accept this proposal

Signature of Authorized Agent _____   Date _____

Signature of Authorized Agent of MICRO Technology Groupe, Inc.   *1-9-04*   Date

Please check where applicable, sign, date, and fax to:
MICRO Technology Groupe
311A Old Rodgers Road
Bristol, PA 19007
FAX: 877-329-9684

Erate Contract

Contract # Y1-00200AC

This contract is based on the funding commitment from Schools and Library Division (SLD) of the Universal Service Administrative Company (USAC). The commitment made here is contingent on the school entity being approved for funding by the receipt of a Funding Commitment Decision Letter from the USAC for the requested amount. If funding is reduced, the school has the option of reducing the scope of the contract accordingly. If, for any reason, funding is denied, this agreement would then be null and void.

MTG requires the school to file their Form 486 as soon as possible after Erate approval is granted. MTG will not process any orders until the SLD approves the 486 and notifies MTG that the 486 has been processed.
MTG will notify the school when the 486 is processed to begin the order process. MTG requires a valid school purchase order and a deposit before any products or services are delivered.
The deposit comprises the schools' 10% of the eligible and 100% of the ineligible product.

Any products or services that are not paid by USAC and/or SLD upon receipt of an invoice from MTG must be paid by the school.

SLD Form# --
526880000481973

Please check the following products and services the school wishes to submit for E-rate approval:

Qty.	Description	Unit Price	Extended Price	Check Here:

AGREEMENTS

Project Management

Qty.	Description	Unit Price	Extended Price	
1	Project Management for 120 Hours	$ 15,000.00	$ 15,000.00	_____

EQUIPMENT

Web/Email Servers - 25

The bid asks for 25 Web/Email servers. See that pricing below. We have made a recommendation, see that at the end.

Qty.	Description	Unit Price	Extended Price	
25	HP ProLiant ML 370 G3 Intel Xeon Processor 3.06 GHz/ 1MB - Rack Model	$ 7,245.00	$ 181,125.00	_____

Includes:
Intel® Xeon™ Processor 3.06GHz/533 FSB - 1MB 333700-001
Intel® Xeon™ 3.06GHz/533 FSB - 1MB Processor - Option Kit 333713-B21
2GB Base Memory (4x512MB) with Online Spare (2x512MB 2GBSPR-01G
Integrated Dual Channel Wide-Ultra3 SCSI Adapter
6 x 1" Hot Pluggable Hard Drive Bays
Smart Array 642 Controller (RAID) 291967-B21
Qty. 3 - 36.4GB Pluggable Ultra320 SCSI 10,000 rpm Universal Hard Drive (1")
1.44MB Floppy Disk Drive
48X CD-ROM drive
Compaq NC7781 PCI-X Gigabit NIC (embedded) 10/100/1000 WOL (Wake on LAN)
Hot Plug Redundant Power Supply 225075-001
Hot Plug Redundant Fan 225073-B21
SmartStart & Insight Manager
Integrated Lights-Out (iLO) Management (ASIC on motherboard)
Warranty - 3 year Next Business Day Onsite

Qty.	Description	Unit Price	Extended Price	
25	Installation of 25 Web/Email Servers	$ 3,500.00	$ 87,500.00	_____
25	Microsoft Server 2003 Academic License, SA	$ 174.00	$ 4,350.00	_____
10	Media kit for Server 2003	$ 26.00	$ 260.00	_____

(note the school purchased 1000 Client access licenses for Server 2003. Additional CALs are Erate eligible and are $9.45 per CAL.)

Note: for MS Exchange - we do not recommend purchasing additional Exchange Servers. Here is the price as requested in the bid.

Qty.	Description	Unit Price	Extended Price	
1	Microsoft Exchange 2003, Academic License, SA	$ 589.00	$ 589.00	_____
1	Media kit for Exchange 2003	$ 26.00	$ 26.00	_____

Note the district purchased 1000 Exchange Client Access Licenses this summer.
If the district wishes to purchase more - they are Erate eligible - they are $5.04 per license.

DNS/DHCP Servers - 12

The bid asks for 12 DNS/DHCP servers. See that pricing below. We have made a recommendation, see that at the end.

Qty.	Description	Unit Price	Extended Price	
12	HP ProLiant ML 370 G3 Intel Xeon Processor 3.06 GHz/ 1MB - Rack Model	$ 6,200.00	$ 74,400.00	_____

Intel® Xeon™ Processor 3.06GHz/533 FSB - 1MB 333700-001
Intel® Xeon™ 3.06GHz/533 FSB - 1MB Processor - Option Kit 333713-B21
1GB Base Memory (2x512MB)
Integrated Dual Channel Wide-Ultra3 SCSI Adapter

006047

6 x 1" Hot Pluggable Hard Drive Bays
Qty. 3 36.4GB Pluggable Ultra320 SCSI 10,000 rpm Universal Hard Drive (1")
1.44MB Floppy Disk Drive
48X CD-ROM drive
Compaq NC7781 PCI-X Gigabit NIC (embedded) 10/100/1000 WOL (Wake on LAN)
Hot Plug Redundant Power Supply 225075-001
Hot Plug Redundant Fan 225073-B21
SmartStart & Insight Manager
Integrated Lights-Out (ILO) Management (ASIC on motherboard)
Warranty - 3 year Next Business Day Onsite

			Unit		Extended
12	Installation of DNS/DHCP Servers	$	2,500.00	$	30,000.00
12	Microsoft Server 2003 Academic License, SA	$	174.00	$	2,088.00

MTG Recommendation

The district currrently has a Microsoft Exchange Server. We feel this is a suitable server to handle the district Email.
It is our recommendation the district purchase 3 Web servers and 4 DNS/DHCP Servers for a total of 7 servers.

Tape BackUP Units

The bid asks for 12 Backup drives. See that pricing below. We have made a recommendation, see that at the end.

Qty.	Description		Unit Price		Total Price	
12	HP Storageworks SDLT 220 3U Rack-mount, One drive 274331-B21	$	4,654.00	$	55,848.00	
12	LVD SCSI cable 168048-B21	$	157.00	$	1,884.00	
12	Rack kit 280571-001	$	170.00	$	2,040.00	

Back UP Software:
12	Back UP Exec, Academic with One year Maintenance	$	508.00	$	6,096.00	
25	Back Up Exec, Academic Server Agent with One year Maintenance	$	148.00	$	3,700.00	
25	Back Up Exec, Academic Exchange Agents with One year Maintenance	$	620.00	$	15,500.00	
12	Back Up Exec, Agent for Open File with One year Maintenance	$	559.00	$	6,708.00	
12	Installation of Back up Drive with Software	$	1,000.00	$	12,000.00	

MTG Recommendation

We recommend getting two HP Storageworks MSL6030 tape libraries.

Qty.	Description		Unit Price		Extended Price	
2	HP Storageworks MSL6030 2 drive LTP Ultrium 460 rackmount library - 330731-B23	$	24,786.00	$	49,572.00	
2	SCSI cables	$	82.00	$	164.00	
2	Back UP Exec, Academic with One year Maintenance		508	$	1,016.00	
5	Back Up Exec, Academic Server Agent with One year Maintenance	$	148.00	$	740.00	
1	Back Up Exec, Academic Exchange Agents with One year Maintenance	$	620.00	$	620.00	
2	Back Up Exec, Agent for Open File with One year Maintenance	$	559.00	$	1,118.00	
2	MTG Installation	$	2,500.00	$	5,000.00	

NOTE - quantity of backup software listed above is based on our recommendation of 7 servers.

The Following is not Erate eligible
Qty.	Description		Unit Price		Extended Price	
10	HP magazine - 301902-B21	$	389.00	$	3,890.00	
20	HP 400 GB Ulrium data cartridge	$	81.00	$	1,620.00	

PVBX

Note - this is for 12 PVBX units. You can scale the quantities accordingly.

Qty.	Description		Unit Price		Extended Price	

Qty.	Description		Unit Price		Total Price	
12	32x32 PVBX Switch	$	33,575.00	$	402,900.00	
384	Video Modulator Pair	$	170.00	$	65,280.00	
384	Video Modulator Supply	$	255.00	$	97,920.00	
12	Rack System	$	850.00	$	10,200.00	
36	Agile Modulator	$	298.00	$	10,728.00	
12	Back up UPS APC 2200 RM3U	$	964.00	$	11,568.00	
12	Complete Installation of the PVBX System by Certified MTG Engineers	$	3,500.00	$	42,000.00	

Maintenance Agreement
1	Maintenance Agreement for All Year 6 Erate eligible PVBX Video Products	$	12,000.00	
	90 Hours of On-site support will be provided with this Maintenance Agreement			

Firewall Server/Router - 12

We do not recommend the district purchase any additional firewall servers or routers.
The appropriate equipment is currently in place in the district.

LAN CABLING AND ELECTRONICS

Wireless LAN = 20 Areas (40 Nodes)

Qty.	Description	Unit Price	Extended Price	

We understand there are 20 areas to be covered with Access points. We highly recommend a
Configuration Study to determine the best locations of the Access points. This will maximize wireless coverage.
The configuration study is included in our install price below.

Qty.	Description	Unit Price	Extended Price	
40	Cisco Aironet 802.1G Access point	$ 659.00	$ 26,360.00	_____
80	Cisco 2.2 Gbi dipole Antenna	$ 14.30	$ 1,144.00	_____
	2 antennas are required for each access point.			
40	Cisco Smartnet Maintenance - One Year for Wireless Access point	$ 56.75	$ 2,270.00	_____
40	Installation Services by our Authorized Cisco Systems Engineer	$ 450.00	$ 18,000.00	_____
	This installation includes the configuration charge by MTG to determine			
	the best location and configuration of the Wireless Access points. This will maximize			
	the effectiveness of the wireless equipment.			

Wireless Network Interface Cards

The Form 470 request 50 wireless cards. You can get either PCMCIA (for laptop computers) and PCI cards (for
desktop computers with a PCI slot). We have priced 50 of both.
If the SLD deems the card is eligible, however at less than 100%, the school is responsible for 100% of the ineligible
portion, plus 10% of the eligible portion.

Qty.	Description	Unit Price	Total Price	
	PCI Network Interface cards			
50	Cisco PCI Network Interface cards	$ 233.00	$ 11,650.00	_____
50	Installation of 50 Wireless Network cards	$ 250.00	$ 12,500.00	_____

UPS - Qty. 12

Qty.	Description	Unit Price	Total Price	
12	American Power Conversion SmartUPS 3000Va	$ 1,325.00	$ 15,900.00	_____
12	APC Battery Pack	$ 615.00	$ 7,380.00	_____
12	Installation	$ 250.00	$ 3,000.00	_____
	NOTE: This UPS requires a 120 V 30 amp twist lock plug. This is not Erate eligible.			
	Please consult with your electrician for the installation of that plug.			

Equipment Rack - Qty. 12

Qty.	Description	Unit Price	Extended Price	
12	APC Netshelter VX Base Enclosure Rack	$ 1,666.00	$ 1,666.00	_____
12	APC Blanking panel kit	$ 61.00	$ 61.00	_____
12	APC Roof fan tray	$ 308.00	$ 308.00	_____
12	APC Rack mount LCD Monitor/keyboard drawer	$ 1,902.00	$ 1,902.00	_____
12	Belkin Omniview 8 port KVM switch	$ 329.00	$ 329.00	_____
96	Belkin 10 foot PS2 KVM cable set	$ 44.00	$ 176.00	_____
12	Installation of 12 APC racks and associated equipment by our APC -trainedEngineer	$ 1,000.00	$ 176.00	_____

LAN Electronics

Qty.	Description	Unit Price	Extended Price	
12	Cat 6509 Chassis, 9 slot, 15RU, No Pow Supply, No Fan Tray	$ 6,495.00	$ 77,940.00	_____
11	Catalyst 6000 8-port GE, Enhanced QoS (Req. GBICs)	$ 6,850.00	$ 75,350.00	_____
12	PKG, PWR SPLY INSERT, CAT 5500	Included		
34	Catalyst 6000 Blank Line Card Slot Cover	$ 38.00	$ 1,292.00	_____
15	Catalyst 6500 Supervisor Engine-2, 2 GB, plus MSFC-2/PFC-2	$ 15,100.00	$ 226,500.00	_____
12	Catalyst 6500 16-port Gig/Copper Module, x-bar	$ 11,595.00	$ 139,140.00	_____
120	1000Base-LX/LH long haul GBIC (singlemode or multimode)	$ 695.00	$ 83,400.00	_____
24	1000Base-SX Short Wavelength GBIC (multimode only)	$ 365.00	$ 8,760.00	_____
24	Catalyst 6000 2500W AC Power Supply	$ 2,075.00	$ 49,800.00	_____
12	Catalyst 6000 Fan Tray for 9-Slot Systems	$ 360.00	$ 4,320.00	_____
24	AC POWER CORD NORTH AMERIZ (110V)	$ 20.00	$ 480.00	_____
12	Catalyst 6000 Sup 2 Flash Image w/SSH, Rel 8.1	Included		
15	Catalyst 6000 MSFC2 IOS SERVICE PROVIDER W/VIP	Included		
15	Catalyst 6000 Sup2 Mem, 128 MB DRAM Option	Included		
35	Catalyst 6500 48-port 10/100, RJ-45, x-bar	$ 1,250.00	$ 43,750.00	_____
15	Catalyst 6000 MSFC-2 Mem, 128MB DRAM Option	Included		
82	Catalyst 3750 48 10/100 + 4 SFP Standard Multilayer Image	$ 4,795.00	$ 393,190.00	_____
3	GE SFP, LC connector SX Module, x-bar	$ 350.00	$ 1,050.00	_____
82	Cisco StackWise 50CM Stacking cable	Included		
3	Catalyst 6500 16-port GigE Mod: Fabric-Enabled (Req. GBICs)	$ 13,750.00	$ 41,250.00	_____
40	GE SFP, LC connector SX transceiver	$ 350.00	$ 14,000.00	_____
One Year Smartnet Maintenance				
12	One Year Smartnet Maintenance 8x5xNext Business Day on the 6509	$ 8,320.00	$ 99,840.00	_____
82	One Year Smartnet Maintenance 8x5xNext Business Day on the 3750	$ 728.00	$ 59,696.00	_____

| 1 | Installation of the Cisco equipment listed above by our Cisco Certified Engineeer | $ | 74,000.00 | _____ |

Recommended Addition to the Proposal

| 1 | Design and Engineering Study | $ | 20,000.00 | _____ |

This will assess the network needs of the district which will allow for the proper deployment of Erate equipment. This includes mapping of network electronics and servers purchased under the Erate program.
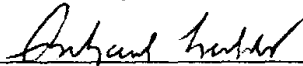
NOTE - Erate Eligibility of a Design and Engineering Study!!
In previous years, Design and Engineer studies were Erate eligible. I do not believe it is eligible in Year 7, but defer to the expertise of the Erate consultant hired by the district.

Non Erate Eligible equipment:

Qty.	Description	Unit Price		Extended Price	
24	5 pack of SDLT Media	$	561.00	$	13,464.00 _____
30	Cleaning cartridges	$	78.00	$	2,340.00 _____
12	APC SNMP card for SmartUPS 3000Va (Allow for graceful shut down of servers during power outages.	$	250.00	$	3,000.00 _____

As an Authorized Agent of Atlantic City Schools, we Accept this proposal

_____
Signature of Authorized Agent

Date
_____

_____
Signature of Authorized Agent of MICRO Technology Groupe, Inc.

Date
1- 9-04

Please check where applicable, sign, date, and fax to:
MICRO Technology Groupe
311A Old Rodgers Road
Bristol, PA 19007
FAX: 877-329-9684

006050

Erate Contract

Contract # Y1-00300AC

This contract is based on the funding commitment from Schools and Library Division (SLD) of the Universal Service Administrative Company (USAC). The commitment made here is contingent on the school entity being approved for funding by the receipt of a Funding Commitment Decision Letter from the USAC for the requested amount. If funding is reduced, the school has the option of reducing the scope of the contract accordingly. If, for any reason, funding is denied, this agreement would then be null and void.

MTG requires the school to file their Form 486 as soon as possible after Erate approval is granted. MTG will not process any orders until the SLD approves the 486 and notifies MTG that the 486 has been processed.
MTG will notify the school when the 486 is processed to begin the order process. MTG requires a valid school purchase order and a deposit before any products or services are delivered.
The deposit comprises the schools' 10% of the eligible and 100% of the ineligible product.

Any products or services that are not paid by USAC and/or SLD upon receipt of an invoice from MTG must be paid by the school.

SLD Form# --
402280000487123

Please check the following products and services the school wishes to submit for E-rate approval:

Qty.	Description	Unit Price	Extended Price	Check Here

Network Electronics

Qty.	Description	Unit Price	Extended Price	
1	Cat 6509 Chassis, 9 slot, 15RU, No Pow Supply, No Fan Trey	$ 6,495.00	$ 6,495.00	_____
1	Catalyst 6000 8-port GE, Enhanced QoS (Req. GBICs)	$ 6,850.00	$ 6,850.00	_____
1	PKG, PWR SPLY INSERT, CAT 5500	Included		
2	Catalyst 6000 Blank Line Card Slot Cover	$ 38.00	$ 76.00	_____
1	Catalyst 6500 Supervisor Engine-2, 2 GB, plus MSFC-2/PFC-2	$ 15,100.00	$ 15,100.00	_____
1	Catalyst 6500 16-port Gig/Copper Module, x-bar	$ 11,595.00	$ 11,595.00	_____
2	1000Base-LX/LH long haul GBIC (singlemode or multimode)	$ 695.00	$ 1,390.00	_____
2	1000Base-SX Short Wavelength GBIC (multimode only)	$ 365.00	$ 730.00	_____
2	Catalyst 6000 2500W AC Power Supply	$ 2,075.00	$ 4,150.00	_____
1	Catalyst 6000 Fan Tray for 9-Slot Systems	$ 360.00	$ 360.00	_____
2	AC POWER CORD NORTH AMERIZ (110V)	$ 20.00	$ 40.00	_____
1	Catalyst 6000 Sup 2 Flash Image w/SSH, Rel 8.1	Included		
1	Catalyst 6000 MSFC2 IOS SERVICE PROVIDER W/VIP	Included		
1	Catalyst 6000 Sup2 Mem, 128 MB DRAM Option	Included		
3	Catalyst 6500 48-port 10/100, RJ-45, x-bar	$ 1,250.00	$ 3,750.00	_____
1	Catalyst 6000 MSFC-2 Mem, 128MB DRAM Option	Included		
5	Catalyst 3750 48 10/100 + 4 SFP Standard Multilayer Image	$ 4,795.00	$ 23,975.00	_____
2	GE SFP, LC connector SX transceiver	$ 350.00	$ 700.00	_____
5	Cisco StackWise 50CM Stacking cable	Included		
1	GE SFP, LC connector SX transceiver	$ 350.00	$ 350.00	_____

One Year Smartnet Maintenance

Qty.	Description	Unit Price	Extended Price	
1	One Year Smartnet Maintenance 8x5xNext Business Day on the 6509	$ 8,320.00	$ 8,320.00	_____
5	One Year Smartnet Maintenance 8x5xNext Business Day on the 3750	$ 728.00	$ 3,640.00	_____
1	Installation of the Cisco equipment listed above by our Cisco Certified Engineeer		$ 4,000.00	_____

Equipment Rack

Qty.	Description	Unit Price	Extended Price	
1	APC Netshelter VX Base Enclosure Rack	$ 1,666.00	$ 1,666.00	_____
1	APC Blanking panel kit	$ 61.00	$ 61.00	_____
1	APC Roof fan trey	$ 308.00	$ 308.00	_____
1	APC Rack mount LCD Monitor/keyboard drawer	$ 1,902.00	$ 1,902.00	_____
1	Belkin Omniview 8 port KVM switch	$ 329.00	$ 329.00	_____
8	Belkin 10 foot PS2 KVM cable set	$ 44.00	$ 176.00	_____
1	Installation of 12 APC racks and associated equipment by our APC -trainedEngineer	$ 1,000.00	$ 176.00	_____

UPS

Qty.	Description	Unit Price	Total Price	
1	American Power Conversion SmartUPS 3000Va	$ 1,325.00	$ 1,325.00	_____
1	APC Battery Pack	$ 615.00	$ 615.00	_____
1	Installation	$ 250.00	$ 250.00	_____

As an Authorized Agent of Atlantic City Schools, we Accept this proposal

Signature of Authorized Agent _____ Date

Signature of Authorized Agent of MICRO Technology Groupe, Inc. _____ Date **1-9-04**

Please check where applicable, sign, date, and fax to:
MICRO Technology Groupe
311A Old Rodgers Road
Bristol, PA 19007
FAX: 877-329-9684

006051

Atlantic City BVE-Admin
1809 Pacific Avenue
Atlantic City, NJ 08401-6803
609-343-7200
SLD Form#;s:
   526880000481973

MICRO Technology Groupe, Inc.
311 A Old Rodgers Road
Bristol, PA 19007
SPIN 143008940

1/8/04

Proposal for #526880000481973

Erate Proposal for Internal Connections
All hardware or software will be purchased as listed or "newer"

AGREEMENTS

Project Management

Qty.	Description	Unit Price	Extended Price
1	Project Management for 120 Hours	$ 15,000.00	$ 15,000.00

EQUIPMENT

Web/Email Servers - 25

The bid asks for 25 Web/Email servers. See that pricing below. We have made a recommendation, see that at the end.

Qty.	Description	Unit Price	Extended Price
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Includes:
Intel® Xeon™ Processor 3.06GHz/533 FSB - 1MB 333700-001
Intel® Xeon™ 3.06GHz/533 FSB - 1MB Processor - Option Kit 333713-B21
2GB Base Memory (4x512MB) with Online Spare (2x512MB 2GBSPR-01G
Integrated Dual Channel Wide-Ultra3 SCSI Adapter
6 x 1" Hot Pluggable Hard Drive Bays
Smart Array 642 Controller (RAID) 291967-B21
Qty. 3 - 36.4GB Pluggable Ultra320 SCSI 10,000 rpm Universal Hard Drive (1")
1.44MB Floppy Disk Drive
48X CD-ROM drive
Compaq NC7781 PCI-X Gigabit NIC (embedded) 10/100/1000 WOL (Wake on LAN)
Hot Plug Redundant Power Supply 225075-001
Hot Plug Redundant Fan 225073-B21
SmartStart & Insight Manager
Integrated Lights-Out (ILO) Management (ASIC on motherboard)
Warranty - 3 year Next Business Day Onsite

Qty.	Description	Unit Price	Extended Price
25	Installation of 25 Web/Email Servers	$ 3,500.00	$ 87,500.00
25	Microsoft Server 2003 Academic License, SA	$ 174.00	$ 4,350.00
10	Media kit for Server 2003	$ 26.00	$ 260.00

(note the school purchased 1000 Client access licenses for Server 2003. Additional CALs
are Erate eligible and are $9.45 per CAL.)

Note: for MS Exchange - we do not recommend purchasing additional Exchange Servers. Here is the price as requested in the bid.

Qty.	Description	Unit Price	Extended Price
1	Microsoft Exchange 2003, Academic License, SA	$ 589.00	$ 589.00
1	Media kit for Exchange 2003	$ 26.00	$ 26.00

Note the district purchased 1000 Exchange Client Access Licenses this summer.
If the district wishes to purchase more - they are Erate eligible - they are $5.04 per license.

		Sub Total	$ 273,850.00

DNS/DHCP Servers - 12

The bid asks for 12 DNS/DHCP servers. See that pricing below. We have made a recommendation, see that at the end.

Qty.	Description	Unit Price	Extended Price
12	HP ProLiant ML 370 G3 Intel Xeon Processor 3.06 GHz/ 1MB - Rack Model	$ 6,200.00	$ 74,400.00

Intel® Xeon™ Processor 3.06GHz/533 FSB - 1MB 333700-001
Intel® Xeon™ 3.06GHz/533 FSB - 1MB Processor - Option Kit 333713-B21
1GB Base Memory (2x512MB)
Integrated Dual Channel Wide-Ultra3 SCSI Adapter
6 x 1" Hot Pluggable Hard Drive Bays

006052

Qty. 3 36.4GB Pluggable Ultra320 SCSI 10,000 rpm Universal Hard Drive (1")
1.44MB Floppy Disk Drive
48X CD-ROM drive
Compaq NC7781 PCI-X Gigabit NIC (embedded) 10/100/1000 WOL (Wake on LAN)
Hot Plug Redundant Power Supply 225075-001
Hot Plug Redundant Fan 225073-B21
SmartStart & Insight Manager
Integrated Lights-Out (iLO) Management (ASIC on motherboard)
Warranty - 3 year Next Business Day Onsite

Qty	Description	Unit Price	Total Price
12	Installation of DNS/DHCP Servers	$ 2,500.00	$ 30,000.00
12	Microsoft Server 2003 Academic License, SA	$ 174.00	$ 2,088.00
		Sub Total	$ 106,488.00

MTG Recommendation

The district currrently has a Microsoft Exchange Server. We feel this is a suitable server to handle the district Email.
It is our recommendation the district purchase 3 Web servers and 4 DNS/DHCP Servers for a total of 7 servers.

Tape BackUP Units

The bid asks for 12 Backup drives. See that pricing below. We have made a recommendation, see that at the end.

Qty.	Description	Unit Price	Total Price
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12	LVD SCSI cable 168048-B21	$ 157.00	$ 1,884.00
12	Rack kit 280571-001	$ 170.00	$ 2,040.00

Back UP Software:

Qty.	Description	Unit Price	Total Price
12	Back UP Exec, Academic with One year Maintenance	$ 508.00	$ 6,096.00
25	Back Up Exec, Academic Server Agent with One year Maintenance	$ 148.00	$ 3,700.00
25	Back UP Exec, Academic Exchange Agents with One year Maintenance	$ 620.00	$ 15,500.00
12	Back Up Exec, Agent for Open File with One year Maintenance	$ 559.00	$ 6,708.00
12	Installation of Back up Drive with Software	$ 1,000.00	$ 12,000.00
		Sub Total	$ 103,776.00

Note - See section at the end of this proposal for Erate ineligible cartridges.

MTG Recommendation

We recommend getting two HP Storageworks MSL6030 tape libraries. -

Qty.	Description	Unit Price	Extended Price
2	HP Storageworks MSL6030 2 drive LTP Ultrium 460 rackmount library - 330731-B23	$ 24,786.00	$ 49,572.00
2	SCSI cables	$ 82.00	$ 164.00
2	Back UP Exec, Academic with One year Maintenance	508	$ 1,016.00
5	Back Up Exec, Academic Server Agent with One year Maintenance	$ 148.00	$ 740.00
1	Back UP Exec, Academic Exchange Agents with One year Maintenance	$ 620.00	$ 620.00
2	Back Up Exec, Agent for Open File with One year Maintenance	$ 559.00	$ 1,118.00
2	MTG Installation	$ 2,500.00	$ 5,000.00
	NOTE - quantity of backup software listed above is based on our recommendation of 7 servers.	Sub Total	$ 58,230.00

The Following is not Erate eligible

Qty.	Description	Unit Price	Extended Price
10	HP magazine - 301902-B21	$ 389.00	$ 3,890.00
20	HP 400 GB Ulrium data cartridge	$ 81.00	$ 1,620.00
		Sub Total	$ 5,510.00

PVBX

Note - this is for 12 PVBX units. You can scale the quantities accordingly.

Qty.	Description	Unit Price	Extended Price

Qty.	Description	Unit Price	Total Price
12	32x32 PVBX Switch	$ 33,575.00	$ 402,900.00
384	Video Modulator Pair	$ 170.00	$ 65,280.00
384	Video Modulator Supply	$ 255.00	$ 97,920.00
12	Rack System	$ 850.00	$ 10,200.00
36	Agile Modulator	$ 298.00	$ 10,728.00
12	Back up UPS APC 2200 RM3U	$ 964.00	$ 11,568.00
12	Complete Installation of the PVBX System by Certified MTG Engineers	$ 3,500.00	$ 42,000.00

006053

Maintenance Agreement

| 1 | Maintenance Agreement for All Year 6 Erate eligible PVBX Video Products | $ | 12,000.00 |

90 Hours of On-site support will be provided with this Maintenance Agreement

| | | Sub Total | $ | 652,596.00 |

Firewall Server/Router - 12

We do not recommend the district purchase any additional firewall servers or routers.
The appropriate equipment is currently in place in the district.

LAN CABLING AND ELECTRONICS

1900 Cat5e Drops
"No Bid"

Wireless LAN = 20 Areas (40 Nodes)

Qty.	Description	Unit Price		Extended Price

We understand there are 20 areas to be covered with Access points. We highly recommend a
Configuration Study to determine the best locations of the Access points. This will maximize wireless coverage.
The configuration study is included in our install price below.

Qty.	Description	Unit Price		Extended Price
40	Cisco Aironet 802.1G Access point	$ 659.00	$	26,360.00
80	Cisco 2.2 Gbi dipole Antenna	$ 14.30	$	1,144.00
	2 antennas are required for each access point.			
40	Cisco Smartnet Maintenance - One Year for Wireless Access point	$ 56.75	$	2,270.00
40	Installation Services by our Authorized Cisco Systems Engineer	$ 450.00	$	18,000.00
	This installation includes the configuration charge by MTG to determine	Sub Total	$	47,774.00

the best location and configuration of the Wireless Access points. This will maximize
the effectiveness of the wireless equipment.

Wireless Network Interface Cards

The Form 470 request 50 wireless cards. You can get either PCMCIA (for laptop computers) and PCI cards (for
desktop computers with a PCI slot). We have priced 50 of both.
If the SLD deems the card is eligible, however at less than 100%, the school is responsible for 100% of the ineligible
portion, plus 10% of the eligible portion.

Qty.	Description	Unit Price		Total Price
	PCI Network Interface cards			
50	Cisco PCI Network Interface cards	$ 233.00	$	11,650.00
50	Installation of 50 Wireless Network cards	$ 250.00	$	12,500.00
		Sub Total	$	24,150.00

UPS - Qty. 12

Qty.	Description	Unit Price		Total Price
12	American Power Conversion SmartUPS 3000Va	$ 1,325.00	$	15,900.00
12	APC Battery Pack	$ 615.00	$	7,380.00
12	Installation	$ 250.00	$	3,000.00
	NOTE: This UPS requires a 120 V 30 amp twist lock plug. This is not Erate eligible.	Sub Total	$	26,280.00

Please consult with your electrician for the installation of that plug.

Equipment Rack - Qty. 12

Qty.	Description	Unit Price		Extended Price
12	APC Netshelter VX Base Enclosure Rack	$ 1,666.00	$	1,666.00
12	APC Blanking panel kit	$ 61.00	$	61.00
12	APC Roof fan trey	$ 308.00	$	308.00
12	APC Rack mount LCD Monitor/keyboard drawer	$ 1,902.00	$	1,902.00
12	Belkin Omniview 8 port KVM switch	$ 329.00	$	329.00
96	Belkin 10 foot PS2 KVM cable set	$ 44.00	$	176.00
12	Installation of 12 APC racks and associated equipment by our APC -trainedEngineer	$ 1,000.00	$	176.00
		Sub Total	$	4,618.00

LAN Electronics

Qty.	Description	Unit Price		Extended Price
12	Cat 6509 Chassis, 9 slot, 15RU, No Pow Supply, No Fan Trey	$ 6,495.00	$	77,940.00
11	Catalyst 6000 8-port GE, Enhanced QoS (Req. GBICs)	$ 6,850.00	$	75,350.00

006054

Qty	Description	Unit Price		Extended Price
12	PKG, PWR SPLY INSERT, CAT 5500	Included		
34	Catalyst 6000 Blank Line Card Slot Cover	$ 38.00	$	1,292.00
15	Catalyst 6500 Supervisor Engine-2, 2 GB, plus MSFC-2/PFC-2	$ 15,100.00	$	226,500.00
12	Catalyst 6500 16-port Gig/Copper Module, x-bar	$ 11,595.00	$	139,140.00
120	1000Base-LX/LH long haul GBIC (singlemode or multimode)	$ 695.00	$	83,400.00
24	1000Base-SX Short Wavelength GBIC (multimode only)	$ 365.00	$	8,760.00
24	Catalyst 6000 2500W AC Power Supply	$ 2,075.00	$	49,800.00
12	Catalyst 6000 Fan Tray for 9-Slot Systems	$ 360.00	$	4,320.00
24	AC POWER CORD NORTH AMERIZ (110V)	$ 20.00	$	480.00
12	Catalyst 6000 Sup 2 Flash Image w/SSH, Rel 8.1	Included		
15	Catalyst 6000 MSFC2 IOS SERVICE PROVIDER W/VIP	Included		
15	Catalyst 6000 Sup2 Mem, 128 MB DRAM Option	Included		
35	Catalyst 6500 48-port 10/100, RJ-45, x-bar	$ 1,250.00	$	43,750.00
15	Catalyst 6000 MSFC-2 Mem, 128MB DRAM Option	Included		
82	Catalyst 3750 48 10/100 + 4 SFP Standard Multilayer Image	$ 4,795.00	$	393,190.00
3	GE SFP, LC connector SX transceiver	$ 350.00	$	1,050.00
82	Cisco StackWise 50CM Stacking cable	Included		
3	Catalyst 6500 16-port GigE Mod: Fabric-Enabled (Req. GBICs)	$ 13,750.00	$	41,250.00
40	GE SFP, LC connector SX transceiver	$ 350.00	$	14,000.00

One Year Smartnet Maintenance

Qty	Description	Unit Price		Extended Price
12	One Year Smartnet Maintenance 8x5xNext Business Day on the 6509	$ 8,320.00	$	99,840.00
82	One Year Smartnet Maintenance 8x5xNext Business Day on the 3750	$ 728.00	$	59,696.00
1	Installation of the Cisco equipment listed above by our Cisco Certified Engineeer		$	74,000.00
	Sub Total		**$**	**1,393,758.00**

Recommended Addition to the Proposal

Qty	Description			
1	Design and Engineering Study		$	20,000.00

This will assess the network needs of the district which will allow for the proper deployment of Erate equipment. This includes mapping of network electronics and servers purchased under the Erate program.

NOTE - Erate Eligibility of a Design and Engineering Study!!

In previous years, Design and Engineer studies were Erate eligible. I do not believe it is eligible in Year 7, but defer to the expertise of the Erate consultant hired by the district.

Non Erate Eligible equipment:

Qty.	Description	Unit Price		Extended Price
	If you purchase the 12 Tape back up units, you will need following media and clean. cart.			
24	5 pack of SDLT Media	$ 561.00	$	13,464.00
30	Cleaning cartridges	$ 78.00	$	2,340.00
12	APC SNMP card for SmartUPS 3000Va (Allow for graceful shut down of servers during power outages.	$ 250.00	$	3,000.00

006055

Atlantic City BVE-Admin
1809 Pacific Avenue
Atlantic City, NJ 08401-6803
609-343-7200
SLD Form#;s:
    402280000487123

MICRO Technology Groupe, Inc.
311 A Old Rodgers Road
Bristol, PA 19007
SPIN 143008940

1/8/04

Proposal for #402280000487123

Erate Proposal for Internal Connections
All hardware or software will be purchased as listed or "newer"

Network Electronics

Qty.	Description	Unit Price	Extended Price
1	Cat 6509 Chassis, 9 slot, 15RU, No Pow Supply, No Fan Trey	$ 6,495.00	$ 6,495.00
1	Catalyst 6000 8-port GE, Enhanced QoS (Req. GBICs)	$ 6,850.00	$ 6,850.00
1	PKG, PWR SPLY INSERT, CAT 5500	Included	
2	Catalyst 6000 Blank Line Card Slot Cover	$ 38.00	$ 76.00
1	Catalyst 6500 Supervisor Engine-2, 2 GB, plus MSFC-2/PFC-2	$ 15,100.00	$ 15,100.00
1	Catalyst 6500 16-port Gig/Copper Module, x-bar	$ 11,595.00	$ 11,595.00
2	1000Base-LX/LH long haul GBIC (singlemode or multimode)	$ 695.00	$ 1,390.00
2	1000Base-SX Short Wavelength GBIC (multimode only)	$ 365.00	$ 730.00
2	Catalyst 6000 2500W AC Power Supply	$ 2,075.00	$ 4,150.00
1	Catalyst 6000 Fan Tray for 9-Slot Systems	$ 360.00	$ 360.00
2	AC POWER CORD NORTH AMERIZ (110V)	$ 20.00	$ 40.00
1	Catalyst 6000 Sup 2 Flash Image w/SSH, Rel 8.1	Included	
1	Catalyst 6000 MSFC2 IOS SERVICE PROVIDER W/VIP	Included	
1	Catalyst 6000 Sup2 Mem, 128 MB DRAM Option	Included	
3	Catalyst 6500 48-port 10/100, RJ-45, x-bar	$ 1,250.00	$ 3,750.00
1	Catalyst 6000 MSFC-2 Mem, 128MB DRAM Option	Included	
5	Catalyst 3750 48 10/100 + 4 SFP Standard Multilayer Image	$ 4,795.00	$ 23,975.00
2	GE SFP, LC connector SX transceiver	$ 350.00	$ 700.00
5	Cisco StackWise 50CM Stacking cable	Included	
1	GE SFP, LC connector SX transceiver	$ 350.00	$ 350.00

One Year Smartnet Maintenance

Qty.	Description	Unit Price	Extended Price
1	One Year Smartnet Maintenance 8x5xNext Business Day on the 6509	$ 8,320.00	$ 8,320.00
5	One Year Smartnet Maintenance 8x5xNext Business Day on the 3750	$ 728.00	$ 3,640.00
1	Installation of the Cisco equipment listed above by our Cisco Certified Engineeer		$ 4,000.00
	Sub Total		**$ 91,521.00**

Equipment Rack

Qty.	Description	Unit Price	Extended Price
1	APC Netshelter VX Base Enclosure Rack	$ 1,666.00	$ 1,666.00
1	APC Blanking panel kit	$ 61.00	$ 61.00
1	APC Roof fan trey	$ 308.00	$ 308.00
1	APC Rack mount LCD Monitor/keyboard drawer	$ 1,902.00	$ 1,902.00
1	Belkin Omniview 8 port KVM switch	$ 329.00	$ 329.00
8	Belkin 10 foot PS2 KVM cable set	$ 44.00	$ 176.00
1	Installation of 12 APC racks and associated equipment by our APC -trainedEngineer	$ 1,000.00	$ 176.00
	Sub Total		**$ 4,618.00**

UPS

Qty.	Description	Unit Price	Total Price
1	American Power Conversion SmartUPS 3000Va	$ 1,325.00	$ 1,325.00
1	APC Battery Pack	$ 615.00	$ 615.00
1	Installation	$ 250.00	$ 250.00
	NOTE: This UPS requires a 120 V 30 amp twist lock plug. This is not Erate eligible.	**Sub Total**	**$ 2,190.00**
	Please consult with your electrician for the installation of that plug.		

006057

REFERENCES

MTG has provided products and solutions to schools in the New Jersey/Pennsylvania area.
These schools include:

East Amwell Township School
Dottie Biggs - Board Secretary/Business Administrator
43 Wertsville Rd/ Box A
Ringoes NJ 08551
908-782-6464

Palisades Park Public School District
Pat Tana
270 First Street
Palisades Park NJ 07650
201-947-3698

School District of Philadelphia
Vince DeTolla
734 Schuylkill Avenue RM 626
Philadelphia PA 19146
215-875-3744

Susquenita School District
Ray Barner - Director of Education and Technology
1725 Schoolhouse Road
Duncannon, PA 17020-9540
717-957-9244

Fleetwood Area School District
Jane Fawcett - Technology Coordinator
803 North Richmond Avenue
Fleetwood, PA 19522
610-944-9749

Glen Mills School
Glen Mills Road
Concordville, PA 19331
Mary McNeal - Technology Coordinator
610-459-8100

East Lycoming School District
349 Cemetery Street
Hughesville, PA 17737
Tom Coburn - Technology Coordinator
570-584-2131

Wissahickon Charter School
4700G Wissahickon Avenue
Philadelphia, PA 19144
Ishmell Bradley - Technology Coordinator
267-338-1020

INDUSTRY Recognized Authorizations and Certifications
Microsoft Certified Partner - MCP will perform work
Cisco Systems Authorized - CCDA and CCNA will perform work.
Hewlett Packard Authorized
Watchguard Technologies Authorized
PVBX Authorized
American Power Conversion Authorized
Belkin Authorized
Veritas Authorized
Apple Computer Authorized
Dell Service Authorized

GLEN MILLS SCHOOLS
Service to youth since 1826

C.D. Ferrainola
Executive Director

December 30, 2003

To Whom It May Concern,

The Glen Mills Schools has had the privilege of having Micro Technology Groupe as our network support specialists for the past several years. Through the national Erate program, we have been fortune to use their services to help maintain our campus network. During the past year, Micro Technology Groupe has done network and server upgrades, installed network electronics, and provided much needed server and network maintenance. Aside from the Erate funding, we have used Micro technology Groupe as part of our desktop computer installation and maintenance.

It is without reservation that I would highly recommendation Micro technology Groupe for any school desiring professional and highly knowledgeable computer engineers and technicians.

Sincerely,

Bette Cancilla

Bette Cancilla
Technology Coordinator
Glen Mills Schools

006059

349 Cemetery Street, Hughesville, PA 17737
(570) 584-2131   Fax (570)584-5701

**East Lycoming
School District**

Fax

To: _Rich Linchas_   From: _Tom Coburn_

Fax: _____   Pages: _____

Phone: _570-584 — 4355_   Date: _12-05-03_

Re: _____   CC: _____

☐ Urgent   ☐ For Review   ☐ Please Comment   ☐ Please Reply   ☐ Please Recycle

● Comments:

006060

January 5, 2004

East Lycoming School District
349 Cemetery Street
Hughesville, PA 17737

To Whom It May Concern:

This letter is to inform you of the satisfactory work that Micro Technology Groupe, Inc.
of 311A Old Rodgers Road, Bristol, PA 19007 has provided the school district in the past
year for the installation of network electronics, firewall, and Wireless LAN equipment.

Tom Coburn
Technology Coordinator
ELSD

006061
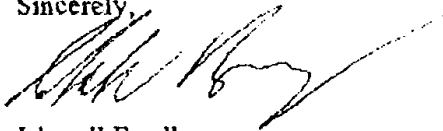
January 5, 2004

Wissahickon Charter School
4700 G Wissahickon Avenue
Philadelphia, PA 19141

To Whom It May Concern:

This letter is to inform you of the satisfactory work that Micro Technology Groups, Inc
and Fluid Mills Technologies have provided the school during the Year 6 Erate
installation of wiring and Erate eligible servers.

Sincerely,

Ishmell Bradley
Technology Coordinator
WCS

Graphics Off

About the SLD

2004 SP Training

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Training Presentations

Submit a Question

Timetable/Deadlines

Conference Calls

Invoicing

Disbursements

Eligible Products
Database Pilot

Commitments Search

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Status

Billed Entity Search

SPIN Search

FRN Extensions

Applicants PIN Request
System

Apply Online

Applicant Forms

December 2002 Announcements

Please click on the topic below to view the most recent announcements:

- Miscellaneous Updates to Web Site (12/27/02)
- Miscellaneous Updates to Web Site (12/20/02)
- Holiday Hours Announcement (12/20/02)
- SLD Providing Clarifications on Certain Issues (12/19/02, revised 12/27/02)
- Miscellaneous Updates to Web Site (12/13/02)
- Update to Warning to FY 2003 Applicants and Service Providers (12/12/02)
- New Data Entry Procedure for Incorrect Library Discounts on Paper Forms 471 (12/10/02)

- Miscellaneous Updates to Web Site (12/6/02)
- "Warning to Funding Year 2003 Applicants" Revised (12/4/2002)
- Deadline for Invoices for FY 2001 Recurring Services (12/3/2002)
- Warning to Funding Year 2003 Applicants and Service Providers Regarding Application Patterns That Violate FCC Rules (12/3/2002, revised 12/4/2002)
- FY2003 Filing Window Extended Three Weeks to February 6, 2003 (12/2/2002)
- What's New Archive

Apply Online

- Reference Ar
- Appeals
- Eligible Servi List
- Changes & Corrections
- Suspensions Debarments

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  Waste, Fraud
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  Abuse

Site Tour
- Site Map Polic
  Website Polic
- Site Tour
- Website Polic

Miscellaneous Updates to Web Site   Top of Page
(12/27/02)

Following is a list of the documents or pages that have changed on this web site during the past week:

The Reference Area document SPIN Change Guidance has been reformatted. This summary document on SPIN changes now links to guidance on Corrective SPIN Changes (changes that result from the correction of data entry errors or from mergers/acquisitions) and Operational SPIN Changes (changes of service providers). Both documents also provide detailed information on deadlines for change requests and instructions for submitting those requests by e-mail, fax, and mail. The documents "SPIN Correction Guidance" and "Service Changes" have been removed, as SPIN corrections are now covered under corrective SPIN changes and service changes are covered under service substitutions. Please note that an operational SPIN change will not be processed before a Funding Commitment is issued for the related Funding Request.

A new document, Priority 1 Components: Timeline for Installation, has been added to the Reference Area. This document discusses the conditions under which E-rate discounts can be provided for Priority 1 infrastructure costs incurred prior to the funding year.

The Wide Area Network (WAN) Fact Sheet has been updated to clarify the entries in the "Examples" section and expand on some of the concepts presented in other sections.

The Cost Allocation Guidelines for Products and Services that Contain Eligible and Ineligible Components has been updated to clarify the concept of ancillary use and to make some minor corrections.

The last paragraph of the What's New posting SLD Providing Clarifications on Certain Issues has been amended to clarify that applicants are encouraged - not required - to first utilize funding from other federal programs when they are seeking to provide for specialized requirements.

Miscellaneous Updates to Web Site (12/20/02)	Top of Page

Following is a list of the documents or pages that have changed on this web site during the past week:

A new document, Cost Allocation Guidelines for File Servers and Other Components has been posted to the Reference Area. This document provides clarification on how to perform cost allocations for file servers.

A linked title has been added for this new document to the Reference Area alphabetical list and to the Reference Area topical list under the heading "Eligible Services."

Holiday Hours Announcement (12/20/02)	Top of Page

The Schools and Libraries Client Service Bureau will be closed on Tuesday, December 24 and Wednesday, December 25, 2002 in observance of the Holiday Season. The Client Service Bureau will resume normal operations on Thursday, December 26, 2002 at 8:00 a.m. EST.

The Schools and Libraries Client Service Bureau will be closed on Wednesday, January 1, 2003 in observance of New Year's Day. The Client Service Bureau will resume normal operations on Thursday, January 2, 2003 at 8:00 a.m. EST.

SLD Providing Clarifications on Certain Issues (12/19/02, revised 12/27/02)	Top of Page

In response to inquiries received, the SLD is issuing the

following clarifications:

Administrative charges by state networks. Some state telecommunications networks ask their recipients of discounted services to pay an additional administrative fee to the state agency. Administrative fees added by third parties, such as state agencies that are not the actual providers of the service, are not eligible for reimbursement under the E-rate program.

"Ancillary" features versus substantial product features that are ineligible. The SLD has received reports that some service providers are bundling substantial ineligible features into product offerings, and providing the mixed-eligibility product or service at a single price. The FCC has been clear that such a mixed-eligibility offering is NOT eligible, if the applicant provides only a single price on the application without further cost allocation. (See for example FCC 97-157, paragraph 462.)

Insubstantial features can be included in a funding request without cost allocating, under a principle called "ancillary use." However, this "ancillary use" provision only applies to features that are of limited capability. Substantial ineligible functionality must be cost allocated. The document Cost Allocation Guidelines for Products and Services that Contain Eligible and Ineligible Components posted in the Reference Area of the SLD web site, provides further information about the requirement to separate the pricing for eligible and ineligible components.

Contractual exclusive access arrangements for Wide Area Network facilities. The FCC has indicated that funding is not to be provided for arrangements that reach "essentially the same result" as the building or purchase of a Wide Area Network by applicants. (See FCC 99-216, paragraph 31.) Therefore, the SLD will not provide discounts on an arrangement that provides exclusive access to Wide Area Network facilities under the contract terms. Service providers must be able to make their facilities available on a shared basis to additional parties in order to provide the cost-effective prices that are integral to the E-rate program.

Sale and lease-back of previously-funded Internal Connections components. The SLD has been asked whether Internal Connections components funded with E-rate discounts in a prior funding year can be sold to a service provider, and then leased back to the applicant.

Applicants must evaluate bids and select the most cost-effective solution for the services and/or functions they request. The pre-discount price must be the highest-weighted factor in their evaluation. Under the sale/lease-back approach, the applicants would be requesting funds for lease payments in addition to the original purchase price. Such a scenario would result in higher total costs than the original purchase, and therefore the SLD's presumption would be that the sale/leaseback does not represent the most cost-effective

solution.

<u>Duplicate funding requests in a single funding year.</u> The SLD has previously cautioned applicants not to request funding for the same components twice in a single funding year, once as part of Priority 2 services (Internal Connections) and once as part of Priority 1 services (Telecommunications Services or Internet Access). (See item #8 in <u>Frequently Asked Questions about Eligibility of Products and Services</u> posted in the Reference Area of this web site.) However, SLD has seen instances where applicants have submitted duplicate funding requests.

The SLD does not allow duplicate funding requests in the same funding year. When such a duplication is discovered during the application review process, the applicant is contacted and required to cancel one of the funding requests. If the applicant does not do so, then, the SLD will cancel both funding requests to limit waste of program funds.

<u>Seeking available funding from other federal programs before applying for E-rate.</u> In order to make the most of E-rate funds, when applicants are seeking to provide for specialized requirements, such as service to the handicapped, they are encouraged to first utilize funding from other federal programs that focus on those requirements. As an example, the FCC administers Telecommunications Relay Services (TRS), which offers text-to-speech operators for the telephone conversations of the hearing and speech impaired. (See the <u>FCC Consumer Facts on Telecommunications Relay Services</u> for additional information.)

If partial funding for a product or service has been obtained from the other source, and the product or service is also eligible for E-rate funding, applicants can then seek E-rate discounts for the balance not yet funded. The amount eligible for E-rate discounts is limited to the balance that would be unpaid by the other funding source.

Miscellaneous Updates to Web Site (12/13/02)	<u>Top of Page</u>

Following is a list of the documents or pages that have changed on this web site during the past week:

<u>Item 21 Attachments for Form 471</u> has been updated with information on WAN purchase arrangements and a revised example for upfront capital costs.

<u>Chapter 7 of the Service Provider Manual</u> now features invoice deadline calculation information based on 120 days rather than 90 days.

Links to the Reference Area documents "Pitfalls to Avoid in Filing Form 470" and "Tips for Completing Form 470" have

......g ....g ....
been removed. This information was not consistent with the
Form 470 as revised for Funding Year 2000 and later funding
years. Current information is available in the Form 470
Instructions, Free Services Advisory, Obligation to Pay Non-
Discount Portion, and the Form 470 section of the Reminder
box at the top of this page.

Links to the Program Description now point to the document E-
RATE DISCOUNTS FOR SCHOOLS AND LIBRARIES.

Update to Warning to FY 2003   Top of Page
Applicants and Service Providers (12/12/02)

In the What's New Notice posted on this web site on December
3, 2002 (below), the SLD indicated that it had "determined
that a sizable number of Funding Year 2002 applications
associated with a particular service provider are not consistent
with Federal Communications Commission ("FCC") regulations
governing the Schools and Libraries Universal Service Support
Mechanism." This statement should not be interpreted as an
indication that the SLD has made a commitment decision
regarding applications for which it has not released a funding
commitment letter as yet. The SLD is currently reviewing these
applications to determine whether they comply with program
requirements.

The SLD has contacted a number of schools to alert them to
this review for two reasons: 1) to provide them with an
opportunity to submit additional information to the SLD to
demonstrate that their applications comply with the
regulations; and 2) to ensure that they conduct their own
careful review of their procedures and make any changes that
may be necessary to ensure that their Funding Year 2003
applications would not be at risk of violating these regulations.
The SLD urges all applicants and service providers to review
the practices outlined in the December 3 What's New Notice
and ensure that they are in compliance with program
requirements.

New Data Entry Procedure for   Top of Page
Incorrect Library Discounts on Paper Forms 471
(12/10/02)

For Funding Year 2003, libraries must use a revised method to
calculate their E-rate discounts. Because the discount for a
library outlet or branch will now come directly from the
Discount Matrix, the discount entered for a library outlet or
branch must correspond to one of the entries in the Discount
Matrix (20%, 25%, 40%, 50%, 60%, 70%, 80% or 90%). If
the discount for a library outlet or branch on a paper Form 471
Block 4 Worksheet is not from the Discount Matrix, the SLD
will use the next highest discount percentage from the
Discount Matrix to complete data entry of the form.

Applicants should not be concerned if they see a higher discount or a higher funding request in their Receipt Acknowledgment Letters than the discount and request they submitted on their paper forms. SLD's Program Integrity Assurance (PIA) team will contact library applicants to verify the discount to which library applicants are entitled using the revised method, and adjust the discount if necessary.

For more information on the revised method for calculating library discounts, please see pages 16-17 of the Form 471 Instructions. Information is also available from the Client Service Bureau via e-mail, via fax at 1-888-276-8736, or via phone at 1-888-203-8100.

Miscellaneous Updates to Web Site (12/6/02)	Top of Page

Following is a list of the documents or pages have changed on this web site during the past week:

The Form 471 application filing window deadline has been extended to February 6, 2003. References to the deadline date in the Form 471 Instructions have been updated. References to the deadlines for the Form 470 and Form 471 accessed from the Reminder box phrase "Remember the deadlines for filing the forms..." have been updated as well.

The SPECIAL NOTE in the Deadline for Information Requests now defines both the winter AND summer periods during which the SLD will only enforce information request deadlines when a successful two-way contact is made.

Beginning with Funding Year 2003, libraries must determine their urban or rural status in order to apply for discounts. The text in the Rural/Urban Classification document has therefore been changed to refer to both schools AND libraries.

You can now access the new dynamic Entity Search feature from the Reference Area by clicking on Entity Numbers.

"Warning to Funding Year 2003 Applicants" Revised (12/4/2002)	Top of Page

The notice posted on December 3 "Warning to Funding Year 2003 Applicants and Service Providers Regarding Application Patterns that Violate FCC Rules" has been revised to be more precise about the requirements with respect to the description of services on the Form 470 and the level of specificity that should be achieved in the technology plan. Changes have been made to the second major bullet and to the first sub-bullet under the third major bullet.

Deadline for Invoices for FY 2001 Recurring Services (12/3/2002)	Top of Page

If your Form 486 Notification Letter was issued on or before August 11, 2002, invoices for recurring services for Funding Year 2001 must be postmarked no later than **December 9, 2002**. (The original October 28 deadline for these invoices was extended to December 8, 2002, as reported in a previous posting. Because December 8 falls on a Sunday, invoices postmarked on December 9 will meet the deadline.) If you are filing Billed Entity Applicant Reimbursement (BEAR) Forms 472 for recurring services, remember that those forms must be certified by the service provider before you can submit them to the SLD. You should allow sufficient time for your service provider to process your BEAR Form and return it to you so that it can be postmarked by the deadline.

Warning to Funding Year 2003	Top of Page
Applicants and Service Providers Regarding Application Patterns That Violate FCC Rules (12/3/2002, revised 12/4/2002)	

SLD has determined that a sizable number of Funding Year 2002 applications associated with a particular service provider are not consistent with Federal Communications Commission (FCC) regulations governing the Schools and Libraries Universal Service Support Mechanism. SLD has begun denying these applications.

Application and competitive bidding processes involving some or all of the following patterns and practices are not consistent with FCC rules:

- Applicants **may not** post FCC Form(s) 470 indicating that there is no Request for Proposals (RFP) for the services sought in the FCC Form 470 when there is, in fact, an RFP or other solicitation method which provides that the service provider selected through the RFP or other solicitation method will appear on the applicant's FCC Form(s) 471 funding request(s).

  - This type of procurement activity misleads potential bidders to the detriment of the competitive process mandated by the FCC.
  - FCC rules require applicants to select their service provider through the FCC Form 470 posting process and after complying with competitive bidding requirements.
  - FCC rules do not allow applicants to select service providers through a process other than the process specified in Schools and Libraries Support Mechanism regulations.

- Any FCC Form(s) 470 or RFP(s) issued by applicants that will form the basis for an FCC Form 471 application **must** define the specific services or functions (and quantity and/or capacity) for which funding will be sought and applicants **must** obtain specific cost information